

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 7933**

**BILL NUMBER: HB 1510**

**DATE PREPARED: Jan 8, 2001**

**BILL AMENDED:**

**SUBJECT:** Online voter registration.

**FISCAL ANALYST:** Chris Baker

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**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill requires the Election Division of the Secretary of State's office to maintain the statewide voter registration file so that the file is accessible by the election division and county voter registration offices through a secure connection over the Internet. The bill requires the Election Division to format the file so that only the county voter registration office of a particular county is able to change data in the file for that particular county's voters. The bill requires the statewide file to be formatted so that: (1) voter registration agencies can enter voter registration information online for processing by county voter registration offices; and (2) health officers can enter information regarding deceased voters for action by county voter registration officials. It authorizes the Indiana election commission to permit online voter registration if certain conditions are met. This bill also requires use of the last four digits of a voter's Social Security number for identification. This bill provides that the Election Commission is not required to provide direct public access to the statewide voter registration file over the Internet. The bill also repeals obsolete sections of the voter registration statutes.

**Effective Date:** July 1, 2001; January 1, 2002.

**Explanation of State Expenditures:** Currently, the Election Division of the Secretary of State maintains a temporary database which annually requires compilation. Any updates or error corrections require a complete rebuilding of the database.

In order to comply with the bill's provisions, the Division would require a centralized repository database server to support the submission, management, and reporting of voter registration data. Based on a report from Quest Information Systems completed for the Division, it is estimated that the expenditures for such a system could range between \$100,000 and \$236,000 in the first year of implementation: FY 2002. In addition to this expenditure, several other expenditures would be required for proper implementation of a voter registration information system including: detail system design, application development, additional storage, documentation and training, and system administration/support. These additional expenditures could

increase the total cost to a range of \$700,000 to \$830,000 in FY 2002. Of these costs, the system administration and support would be ongoing at approximately \$150,000 per year. The cost for administration and support could vary depending if the support staff were outsourced through a private contractor, or if the Division were authorized to hire the necessary staff. The estimate assumes that required connection to the Internet from the Election Division is already in place.

The processing of submissions by counties of voter registration data could be performed by Election Division staff or handled by contract with an outside vendor.

There could be additional costs involved in the development of an Internet-based voter registration system. However, this provision would not go forward unless a unanimous vote of the Commission's entire membership, approves online registration of individuals.

Currently the voter registration form requests the Social Security number of an individual as allowed under the federal Privacy Act of 1974 (U.S.C. 552a). A space is provided on the voter registration form for this information. This bill requires an applicant to provide the last four digits of the applicant's Social Security number on a voter registration form. This provision will require a change in the current form. The cost of changing and printing the form can be done within the current budget.

The bill specifically defines the procedure for submitting voter information to the proper county. The Bureau of Motor Vehicles and Public Assistance Agencies are already required to forward voter registration information to the County Election Board or Circuit Court Clerk. Therefore the impact of this change should be minimal.

#### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** Counties could experience start-up costs for an Internet browsing PC or workstation and a printer, and ongoing costs for Internet access fees. Quest Information estimates the cost could be \$6,400 to a county without any of the above components. In addition, approximately \$1,200 to \$1,500 in expenditures could be required if counties need software modifications in order to comply with the State repository/database.

The Election Division currently estimates one third of the counties would require all of the components above and could face expenditures of approximately \$8,000. Another third of counties have the equipment necessary, but lack Internet Access and could have expenditures ranging from \$1,200 to \$1,500. Roughly another third, including larger counties such as Marion, Lake, and Allen, have all of the components required to send data already and would require minimal expense.

The State of Indiana has offered in the past used PC's at a substantial discount to qualified entities. If a county were to qualify, and the PC acquired were able to accept Windows 95 software, potentially some expenditure could be saved.

Counties would be required to enter information of voter registration into the voter registration file. The impact of this provision would be determined by the number of additional employees the counties would need to carry out this provision, if current employment resources could not absorb this requirement.

#### **Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Election Division, Indiana Election Commission, Bureau of Motor Vehicles License Branches; Public Assistance Agencies.

**Local Agencies Affected:** Counties.

**Information Sources:** Bruce Northern, Indiana Election Division, (317) 232-3939;